संख्या-26/2023/1226/63-व0उ0-2023-4(एच)/2022

प्रेषक,

अमित मोहन प्रसाद,
अपर मुख्य सचिव
उत्तर प्रदेश शासन।

सेवा में,

आयुक्त एवं निदेशक,
हथकरघा एवं वस्त्रोद्योग निदेशालय,
उ0प्र0, कानपुर।

हथकरघा एवं वस्त्रोद्योग अनुभाग **लखनऊः दिनांकः 03 अगस्त, 2023**

विषयः- पीएम मेगा एकीकृत वस्त्र क्षेत्र और परिधान (P.M MITRA) पार्क योजना के अन्तर्गत टेक्सटाइल पार्क की स्थापना एवं भूमि हस्तांतरण के सम्बन्ध में।

महोदय,

अवगत कराना है कि वस्त्र मंत्रालय, भारत सरकार ने टेक्सटाइल क्षेत्र को बढावा देने के लिए प्रधानमंत्री मेगा एकीकृत वस्त्र क्षेत्र और परिधान (P.M MITRA) पार्क योजना आरम्भ की है। इस योजना हेतु उत्तर प्रदेश सहित 07 राज्यों का चयन किया गया है। जनपद लखनऊ एवं हरदोई में अवस्थित कुल 1000 एकड़ भूमि को पी0एम0 मित्र पार्क हेतु कृषि विभाग से हथकरघा एवं वस्त्रोद्योग विभाग को हस्तानान्तरित की गयी है। उक्त के क्रम में शासनादेश संख्या-308/63-व0उ0-2023-4(एच)/2022 दिनाँक 24.02.2023 के द्वारा स्पेशल पर्पज वेहिकल (S.P.V) का गठन करने तथा अन्य सम्बन्धित दिशा-निर्देश निर्गत किये गये हैं।

2- उक्त शासनादेश में पी0एम0 मित्र टेक्सटाइल पार्क हेतु गठित की जाने वाली स्पेशल पर्पज वेहिकल (S.P.V) को निःशुल्क भूमि उपलब्ध कराने का प्राविधान किया गया है। स्पेशल पर्पज वेहिकल (S.P.V) के निदेशक मण्डल में केन्द्र सरकार एवं राज्य सरकार के प्रतिनिधि शामिल होंगे। अपर मुख्य सचिव, हथकरघा एवं वस्त्रोद्योग उ0प्र0 शासन को मुख्य कार्यकारी अधिकारी, (C.E.O) नामित करते हुये स्पेशल पर्पज वेहिकल (S.P.V) में कुल 11 सदस्यों का प्राविधान किया गया है। शासनादेश दिनाँक 24.02.2023 में हथकरघा एवं वस्त्रोद्योग विभाग द्वारा स्पेशल पर्पज वेहिकल (S.P.V) को उपलब्ध कराये जाने वाली भूमि हेतु स्टाम्प ड्यूटी का उल्लेख नहीं किया गया है।

3- उपरोक्त के सम्बन्ध में शासन के स्तर पर पुनः विचार किया गया है। सम्यक विचारोपरान्त लिये गये निर्णय के क्रम में मुझे यह कहने का निदेश हुआ है कि:-

(A) पार्क हेतु स्पेशल पर्पज वेहिकल (S.P.V) को उपलब्ध करायी जाने वाली भूमि 1/- रू0 प्रति एकड़ प्रति वर्ष प्रतीकात्मक लीज रेन्ट पर 99 वर्ष हेतु प्रदान की जायेगी।

(B) स्पेशल पर्पज वेहिकल (S.P.V) के निदेशक मण्डल में कुल 08 सदस्य होंगे, जिसमें 03 राज्य सरकार के, 03 केन्द्र सरकार के तथा 02 स्वतन्त्र निदेशक होंगे। स्वतंत्र निदेशकों में से 01 राज्य सरकार द्वारा एवं 01 भारत सरकार द्वारा नामित किया जायेगा।

(C) राज्य सरकार की ओर से निदेशक मण्डल में निम्नलिखित सदस्य होंगे:-

(1)अपर मुख्य सचिव/प्रमुख सचिव/सचिव, हथकरघा एवं वस्त्रोद्योग विभाग, उ0प्र0 शासन।

(2) आयुक्त एवं निदेशक, हथकरघा एवं वस्त्रोद्योग निदेशालय, उ0प्र0 कानपुर।

(3) अपर मुख्य सचिव, वित्त विभाग, उ0प्र0 शासन, अथवा उनके द्वारा नामित विशेष सचिव से अनिम्न स्तर का अधिकार

1- यह शासनादेश इलेक्ट्रानिकली जारी किया गया है, अतः इस पर हस्ताक्षर की आवश्यकता नही है ।

2- इस शासनादेश की प्रमाणिकता वेब साइट http://shasanadesh.up.gov.in से सत्यापित की जा सकती है ।

(D) पी.एम. मित्र पार्क की स्थापना हेतु स्पेशल पर्पज वेहिकल (S.P.V) का गठन किया जायेगा। स्पेशल पर्पज वेहिकल (S.P.V) की भूमिका, राज्य सरकार की वचनबद्धता एवं कार्य विवरण संबंधी Joint Venture Agreement (J.V.A) भारत सरकार एवं राज्य सरकार के मध्य किया जायेगा। भारत सरकार/राज्य सरकार द्वारा दिये गये दिशा-निर्देशों तथा अन्य सुसंगत अधिनियमों/नियमों/शासनादेशों का अनुपालन सुनिश्चित किया जाएगा। भारत सरकार के General Financial Rules (GFR) के तथा राज्य सरकार के नियम एवं समय-समय पर निर्गत दिशा-निर्देशों के किसी बिन्दु पर मत भिन्नता की स्थिति में निदेशक मण्डल द्वारा निर्णय लिया जाएगा।

(E) प्रधानमंत्री मेगा एकीकृत वस्त्र क्षेत्र और परिधान (P.M MITRA) पार्क की स्थापना हेतु स्पेशल पर्पज वेहिकल (S.P.V) को 99 वर्षो की लीज पर दी जा रही भूमि पर देय स्टाम्प शुल्क से शत प्रतिशत छूट दी जायेगी। यदि भविष्य में कुछ और भूमि राज्य सरकार के द्वारा स्पेशल पर्पज वेहिकल (S.P.V) को विस्तार हेतु दी जाती है तो उस पर भी देय स्टाम्प शुल्क से शत-प्रतिशत छूट दी जायेगी, किन्तु उक्त छूट का लाभ तभी प्राप्त होगा जबकि अन्य किसी अधिसूचना के तहत स्पेशल पर्पज वेहिकल (S.P.V) को स्टाम्प शुल्क से कोई छूट प्राप्त न हो।

4- मुझे यह कहने का निदेश हुआ है कि उक्तानुसार अग्रेतर कार्यवाही करने का कष्ट करें।

संलग्नकः- विधीक्षित Joint Venture के मसौदे की प्रति।

भवदीय,

अमित मोहन प्रसाद
अपर मुख्य सचिव।

संख्या-26/2023/1226(1)/63-व030-2023-तद्दिनांक-

प्रतिलिपि निम्नलिखित को सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषितः-

1- सचिव, वस्त्र मंत्रालय भारत सरकार, नई दिल्ली। **(संलग्नकः यथोक्त)**
2- अवस्थापना एवं औद्योगिक विकास आयुक्त, उत्तर प्रदेश, शासन।
3- अपर मुख्य सचिव, मा0 मुख्यमंत्री जी, उत्तर प्रदेश शासन।
4- अपर मुख्य सचिव/प्रमुख सचिव, राजस्व/स्टाम्प एवं रजिस्ट्रेशन विभाग/कृषि/ समाज कल्याण/सिंचाई/वित्त/नियोजन/पर्यावरण, वन एवं जलवायु परिवर्तन/ नगर विकास/सूक्ष्म लघु एवं मध्यम उद्यम/ऊर्जा/श्रम विभाग, उ0प्र0 शासन।
5- प्रमुख स्टाफ आफिसर, मुख्य सचिव, उत्तर प्रदेश, शासन।
6- जिलाधिकारी, जनपद लखनऊ/जनपद हरदोई।
7- निजी सचिव, मा0 मंत्री, हथकरघा एवं वस्त्रोद्योग, विभाग उत्तर प्रदेश, शासन।
8- गार्ड फाइल।

आज्ञा से,

(सत्येन्द्र प्रताप सिंह)
अनु सचिव।

1- यह शासनादेश इलेक्ट्रानिकली जारी किया गया है, अतः इस पर हस्ताक्षर की आवश्यकता नही है ।

2- इस शासनादेश की प्रमाणिकता वेब साइट http://shasanadesh.up.gov.in से सत्यापित की जा सकती है ।

JOINT VENTURE AGREEMENT

This Joint Venture agreement (Agreement") is made on this day of 2023 corresponding to Saka Samval the day of 19 at Lucknow (Effective Date")

BETWEEN

THE PRESIDENT OF INDIA, acting through Shri Rohit Kansal, Additional Secretary Ministry of Textiles, Government of India having its office at Udyog Bhawan, Rafi Marg New Delhi-110011, (hereinafter referred to as the "MOT", which expression, unless repugnant to the context or otherwise, will include its successors in office) of the FIRST PART

AND

THE GOVERNOR OF UTTAR PRADESH acting through Sn. Amit Mohan Prasad,

Additional Chief Secretary, Department of Handloom and Textile, Government of Uttar Pradesh (hereinafter referred to as the "GOUP" which expression, unless repugnant to the context or otherwise, will include its successors in office) of the SECOND PART.

The MoT and "GOUP" are collectively referred to as the "Parties" and individually as a "Party"

WHEREAS:-

A. Ministry of Textiles, Government of India (MOT) has launched PM Mega Integrated Textile Regions and Apparel (PM MITRA) Parks Scheme to enable the textile Industry to achieve higher size and scale along with creation of a modern and integrated textile value chain at one location and to attract investment, generate employment and augment export potential.
B. Ministry of Handloom and Textile, Government of Uttar Pradesh (GoUP) has expressed willingness through a formal proposal to be a part of the Scheme and requested MoT to approve setting up of a PM MITRA PARK at Village - Atar Block-Mall, Tehsil - Malihabad, District-Lucknow in Uttar Pradesh.
C. Ministry of Textiles, Government of India and Ministry of Handloom and Textile, Government of Uttar Pradesh have decided to take up the development of the PM MITRA Park at Village Atari, Block-Mall, Tehsil - Malihabad, District- Lucknow (address of land), hereinafter referred to as "PM Mega Integrated Textile Regions and Apparel (PM MITRA) Park. Lucknow, Uttar Pradesh, in short, "PM MITRA Park, Lucknow, Uttar Pradesh through a newly incorporated Private Limited Company to be formed as a Special Purpose Vehicle (SPV) for the purpose.

D. With this objective, the Parties have executed a Memorandum of Understanding dated 18th April, 2023 (MoU). In terms of the MoU, the Parties intend to incorporate a Private Limited Company as a Special Purpose Vehicle (SPV). The SPV will be primarily responsible for the implementation of the PM MITRA Scheme in line with the operational Guidelines (hereinafter referred to as " **the Guidelines**" dated 15th January 2022 for PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme (hereinafter referred to as **"PM MITRA Park Scheme"**, in terms of the Scheme Notification No. CG-DL-E-21102021-230585 dated 20th October 2021 (hereinafter referred to as **"PM MITRA Park scheme Notification"** or " **the Notification**".) For PM MITRA YOJNA, GoUP has issued the G.O. No. 308/63-व.उ.2023-4(एच)/2022 Dated-24-02-2023 for the establishment of SPV and shall be named as "Saint Kabir PM MITRA Textile and Apparel Park Limited. "

E. It is agreed between the Parties that their rights and obligations regarding their relationship with and in the SPV including the operation and management of the SPV will be governed in accordance with the terms and conditions of this Agreement, **the Notification;** and **the Guidelinesas** amended by the Ministry of Textiles Government of india (MoT) from time to time and SPV will act accordingly GoUP, Government order Dated 24-02-2023

F. GoUP has issued the Go. No. 308/63-व.उ.2023-4(एच)/2022 Dated-24-02-2023 for execution of this Joint Venture Agreement for the aforesaid pursose.

Now, therefore, in consideration of the foregoing and hereby acknowledged, the parties have agreed upon the following:

1. DEFINITIONS & INTERPRETATIONS

1.1. Definitions

In this Joint Venture Agreement, except to the extent that the subject or context otherwise requires, the following expressions shall have the following meanings:

"Act" means Companies Act, 2013 with the rules and regulations made thereunder, or any statutory modification or re-enactment thereof.

"Agreement" means this Joint Venture Agreement as from time to time amended, supplemented, or replaced or otherwise modified and includes any document, which amends, supplements, replaces, or otherwise modifies this Agreement as agreed in writing between the parties hereto.

"Board" or "Board of Directors" means the Board of Directors of the Company.

"Business Day" means any day other than a Saturday, a Sunday, or a gazetted Holiday in the state of Uttar Pradesh.

"Ministry of Textiles (MoT) Director" means the Directors of the SPV as nominated by the Ministry of Textiles (MoT) from time to time.

"Ministry of Textiles (MoT) Securities" means 49,00,000 (Forty-Nine Lakhs) Equity Shares of face value of Rs. 10 (Rupees Ten) each to be subscribed by President of India, through Ministry of Textiles, in accordance with the provisions of this Agreement.

"Ministry of Textiles (MoT) Subscription Consideration" means an amount of Rs. 4,90,00,000 (Rupees Four Crore Ninety Lakhs) to be paid by, Ministry of Textiles, Government of India to the SPV towards subscription to the Ministry of Textiles (MoT) Securities.

"Company" or "SPV" means "PM Mega Integrated Textile Regions and Apparel (PM MITRA) Park, Lucknow, Uttar Pradesh" a Special Purpose Vehicle (SPV) incorporated pursuant to clause 2.2 of this Agreement .

"Deed of Adherence" means the deed of adherence, the format of which is set out in **Schedule A** (Deed of Adherence) .

"Financial Year" means a period of twelve months commencing from 1st day of April of any year and ending on the 31st day of March, of the next calendar year except where the Company has been incorporated on or after the 1st day of January of a year, whence it shall mean the period ending on the 31st day of March of the following year .

"Governmental Authorities" means any government authority, statutory authority, regulator, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or under any applicable State jurisdiction .

"Guidelines" means the operational Guidelines dated 15th January 2022 and other guidelines as may be issued or amended by "Project Approval Committee" from time to time for PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme.

"Joint Venture" means the PM MITRA Park, Lucknow, Uttar Pradesh, as set up by the SPV, in terms of this agreement to implement the PM Mitra Park Scheme, in accordance with the Guidelines.

"Master Developer" means any agency selected, appointed and engaged by the SPV for execution of the **PM MITRA Park Scheme**, within the overall ambit of the PM MITRA Guidelines

"**Other Developers**" means any agency, other than the Master Developer, which is selected, appointed and engaged by the SPV under the Scheme, and within the overall ambit of the Guidelines for execution of such specific work including maintenance work or commercial development as is not assigned to the Master Developer.

"PM MITRA Park Scheme" means PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme as approved by the Union Cabinet and as notified in terms of the Scheme Notification No. CG-DL-E-21102021-230585 dated 20th October 2021

"PM MITRA Park scheme Notification" or **"the Notification"** means the Scheme official Gazette Notification No. CG-DL-E-21102021-230585 dated 20th October 2021

"Project Approval Committee" or "PAC" means the committee constituted by Ministry of Textiles, Government of India, for *inter alia* granting approvals to Detailed Project Reports (DPRs), sanctioning project activities and funds there of, monitoring the expenditure, fine tuning policies and taking other policy decisions from time to time, in terms of PM MITRA Park Scheme official Gazette Notification No. CG-DL-E-21102021-230585 dated 20th October 2021

"Director" means the Directors of SPV as nominated by the Department of Handloom and Textile Government of Uttar Pradesh (GoUP) from time to time.

"Securities" means 51,00,000 (Fifty One Lakhs) Equity Shares of face value of Rs. 10 (Rupees Ten) each, to be subscribed by the Governor of the Uttar Pradesh, in accordance with the provisions of this Agreement.

"Subscription Consideration" means an amount of Rs. 5,10,00,000 (Rupees Five Crores and Ten Lakhs) to be paid by **Government of State of Uttar Pradesh** to the SPV towards subscription to the Government of Uttar Pradesh Securities.

"Transfer" in relation to Shares and/or other securities of the Company, means the sale, assignment, transfer, alienation of, or creation of any charge or lien of any kind or the grant of any option or right to purchase or otherwise acquire Shares of the Company.

1.2. Interpretation

In this Agreement, unless the context otherwise requires:

a) the words importing singular shall include plural and vice versa, and words denoting natural persons shall include partnerships firms, companies, corporations, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal entity);

b) headings are inserted for convenience and identification only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof in any manner whatsoever;

c) the words "include" and "including" are to be construed without limitation;

d) any reference to a day, month or year shall mean a reference to a calendar day, calendar month or calendar year respectively;

e) any reference at any time to any agreement, deed, instrument, license or document of any description shall be construed as reference to that agreement, deed, instrument, license or other document as amended, varied, supplemented, modified or suspended at the time of such reference;

f) references to recitals, Articles, sub-articles or Schedules in this Agreement shall, except where the context otherwise requires, be deemed to be references to recitals, Articles, sub-articles and Schedules of or to this Agreement;

g) any agreement, consent, approval authorisation, notice, communication information or report required under or pursuant to this Agreement from or by any Party shall be valid and effectual only if it is in writing under the hands of duly authorised representative of such Party in this behalf and not otherwise;

h) any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates.

2. OBJECTIVE, SCOPE, ROLE OF CONCERNED PARTIES, AND FUNCTIONS OF THE JOINT VENTURE

2.1. Objective of the Joint Venture

The PM MITRA Park scheme is envisaged to help develop integrated large-scale and modern industrial infrastructure facilities for the entire value chain in the textiles sector.PM MITRA Parks are expected to facilitate creation of world class infrastructure with plug and play facilities and help create global champions in the textiles sector.

2.2. Scope of the Joint Venture

The scope of the joint venture will, amongst others, include:

2.2.1.1. Developing and managing the PM Mega Integrated Textile Regions and Apparel (PM MITRA) Park, Lucknow, Uttar Pradesh (PM MITRA Park Uttar Pradesh) at Lucknow District, Uttar Pradesh (state) in accordance with the **PM MITRA Park Scheme** and the Guidelines.

2.2.1.2. The PM MITRA Park, Lucknow, Uttar Pradesh will include the creation and Development of integrated large scale, modern and world-class industrial infrastructure for the entire value chain in the textiles sector with plug and play facilities to help to create global champions in the textiles sector. The facilities may include the following:

a. A Manufacturing Zone
b. Utilities including Power, Water, Environment treatment Plant (ETP), Zero Liquid Discharge (ZLD)
c. Research and Development Facilities
d. Testing Infrastructure and Facilities
e. Training Infrastructure and Facilities
f. Dedicated Transport facilities
g. Logistics Infrastructure and facilities including Inland Container Depot and Bonded warehousing
~~h.~~ Social Infrastructure such as Medical Infrastructure and other facilities including education and housing for workers, residents and other stakeholders
i. Commercial complexes including offices, Hotels, Convention Centers and Services.

The core infrastructure of the PM MITRA Park may include

a. Manufacturing Zone including plug and play facilities
b. Arterial and Internal Roads
c. Power substation(s) and power distribution Infrastructure
d. Water supply and distribution infrastructure
e. Common Effluent treatment plant including Waste water treatment plant and other facilities,
f. Common Processing house
g. Common Warehousing
h. Supporting services-
    i. Design centers including for Textile designers,
    ii. Testing Labs including for quality assurance.
    iii. Research and development facilities
    iv. Incubation Centre including for startups

2.2.1.3. The support infrastructure may include:

a. Workers' hostels and housing, including dorms for women workers; workers' family accommodation,
b. Medical and health facilities,
c. R& D, training and skill development infrastructure,
d. warehousing,
e. logistics park etc.

2.2.1.4. Commercial Development may include

a. Hotels
b. Shops
c. Shopping malls
d. Office spaces
e. Convention Centres
f. Entertainment Establishments
g. Other housing

2.2.1.5. **Master Developer:** A Master Developer will be selected by the SPV for the PM MITRA Park, Lucknow, Uttar Pradesh. The execution of the PM MITRA Project, within the overall ambit of the PM MITRA scheme guidelines, will be undertaken by the Master Developer appointed by the SPV.

2.2.1.6. Any other activity as may be required to give effect to the objectives of the PM MITRA scheme and the guidelines.

2.3. Role of the Ministry of Textiles Government of India (MoT)

2.3.1. **Ministry of Textiles (MoT)** will oversee, guide and review the implementation of the Park.

2.3.2. The Project Approval Committee (PAC) of the MoT will monitor and review the progress of the Park from time to time to provide necessary guidance and support. The PAC may also take such action as may be required to remove difficulty in implementation of the scheme or to provide necessary clarifications. The guidelines in respect of PM MITRA Park scheme may be modified from time to time, as may be considered appropriate for success of the scheme

2.3.3. The Ministry of Textiles (MoT) shall provide financial support in the shape of Development Capital Support (DCS) of upto Rs 500 crores and Competitive Incentive Support (CIS) of up to Rs 300 crores.

2.3.4. The detailed modalities and process for providing the support will be as per the Guidelines and directions issued by the PAC from time to time.

2.3.5. The Ministry of Textiles (MoT) will provide policy and execution support and *inter alia* advise and support the SPV, in the implementation and operations of the PM MITRA Park in terms of the scheme and Guidelines.

2.4. Role of the Ministry of Handloom and textile Government of Uttar Pradesh (GoUP)

2.4.1. The Government of Uttar Pradesh (GoUP) shall follow all the Guidelines of the **PM MITRA Park Scheme.**

2.4.2. GoUP will provide the requisite land and trunk infrastructure and will provide single window clearance facility for the development of Park and Units in the project. In particular, and without prejudice to its responsibility of following all the Guidelines, it shall ensure the following:

2.4.2.1. SPV Formation: The Government of Uttar Pradesh (GoUP) shall form an SPV for the implementation of the PM MITRA Park as per the requirement of the Guidelines.

2.4.2.2. Master Developer: The SPV will select a Master Developer for the execution of the project within the overall ambit of the Guidelines.

2.4.2.3. The SPV may also select and engage Other Developers as may be needed within the overall ambit of the Guidelines.

2.4.2.4. Land Transfer: The Government of Uttar Pradesh (GoUP) or its entities will transfer the land measuring at least 1000 Acres for a lease period of 99 years at lease rent of Rs. 1 per acre per annum to the SPV for being used by the SPV for the development of the PM MITRA Park, Lucknow, Uttar Pradesh in consonance with the Guidelines of the scheme.

2.4.2.5. Stamp duty: In Public interest, the stamp duty for transfer, sale, lease or mortgage or for creation of Charge on Land or immoveable Property in the PM MITRA Park, Lucknow, Uttar Pradesh will be exempted from levy of stamp duty for the transfer to or by the **GoUP** or its agencies to the SPV.

2.4.2.6. Clearances: The **GoUP** shall ensure provision of all necessary statutory and regulatory clearances to the proposed Park including but not limited to clearances for power, water, environment and sanitation within the time limits as may be determined by the PAC.

2.4.2.7. Infrastructure and utilities: The **GoUP** will provide necessary high speed road connectivity and trunk infrastructure for ensuring seamless connectivity to the site. It shall also ensure that road, power and water infrastructure is made available till the park gate at no cost to the SPV or to the Park and in such time frames as may be decided by the PAC.

2.4.3. State Commitment: The **GoUP** shall ensure that rates of utilities are the same or lower than as committed during the evaluation process and as appended as **Annexure I** to the Memorandum of Understanding signed between the Parties dated 18th April 2023 (MOU). The **GoUP** shall endeavor to maintain a stable utility tariff for projects in the Park. In the case of power, the state may ensure open access for power provided to the Park.

2.4.3.1. Policy and Incentives: The **GoUP** shall ensure that incentives, subsidies, wage incentives and all other incentives as indicated to the PAC at the time of evaluation of the Park Annexed as per **Annexure II** to the Memorandum of Understanding signed between the Parties dated 18th April 2023 (MoU) are sustained and are not revised downward/ to the disadvantage of the Park/units in the PM MITRA Park, Lucknow, Uttar Pradesh

2.4.3.2. Financial Rules: The **GoUP** will ensure that the Park SPV strictly abides by the General Financial Rules (GFR) of the Government of India and relevant Government of Uttar Pradesh GoUP laws and the rules issued there under and any other guidelines issued by the competent authorities from time to time in all financial matters including utilization of funds received from Ministry of Textile (MoT).

2.4.3.3. Non-Compete: The GoUP or any its agencies related party will not set up a similar or competing facility within 25 Kilometers of the PM MITRA Park, Lucknow, Uttar Pradesh.

2.4.4. State Facilitation: In addition to above mentioned responsibilities, the **GoUP** will facilitate implementation of the Park by ensuring the following: -

2.4.4.1. Attracting investment including Foreign Direct Investment into the Park by promoting the Park through incentives, policy, and regulatory support besides promotional and marketing efforts.

2.4.4.2. Ensuring sustainability and supporting and incentivizing sustainable initiatives including recycling, renewable energy , water conservation and other green initiatives

2.4.4.3. GoUP shall provide support to the PM MITRA Park in general and for infrastructure development (especially social infrastructure) and training and welfare activities in the Park in particular through state support and through convergence with various central and state schemes.

2.4.4.4. Any other initiative of the Government of Uttar Pradesh GoUP to support investment in the PM MITRA Park, Lucknow, Uttar Pradesh for smooth functioning of the units in the Park.

2.

2.4.4.5. **GoUP** shall ensure a progressive and supportive textile and industrial Policy in order to facilitate investments in the PM MITRA Park, Lucknow, Uttar Pradesh.

2.5. Role of the SPV

2.5.1 The SPV will be primarily responsible for the timely completion of the PM MITRA Park, Lucknow, Uttar Pradesh, as per Guidelines and within the approved project cost.

2.5.2 For this purpose, the SPV shall carry out all such activities as may be necessary including monitoring and review of the progress of work as well as management and monitoring of the funds received and an audit of their utilization.

2.5.3 SPV shall monitor the implementation of the Project as per the Project Approval Committee (PAC) approved DPR / Master Plan

2.5.4 SPV shall be responsible for selection and engagement of the Master Developer through a transparent process and monitoring the progress of work done by it.

2.5.5 The SPV, shall, if so required be provided with assistance by the MoT in development of model RFQ, RFP for selection of the Master Developer

2.5.6 SPV shall also determine and enforce the grant of concessions to the Master Developer and other investors in accordance with the advice of the PAC and sign concession agreements, in compliance with the Guidelines.

2.5.7 SPV shall strictly abide by the guidelines of the PM MITRA scheme, the decisions of the Project Approval Committee (PAC) of the Ministry of Textiles (MoT), General Financial Rules (GFR) of the Government of India, and other rules and guidelines of the Government of India issued by the competent authorities from time to time.

2.5.8 The SPV will be a legal entity ((with 51% equity shareholding of the Government of Uttar Pradesh (GoUP) and 49% of the Ministry of Textiles (MoT)) and set up by the Government of Uttar Pradesh (GoUP) for the purpose of implementing the PM MITRA Park, Lucknow, Uttar Pradesh.

2.5.9 The SPV will have a paid-up capital of Rs. 10 crores.

2.5.10 In order to record their understanding in relation to the management and control of the SPV as well as the *inter se* rights of the parties, the Parties are executing this joint venture agreement cum shareholders agreement to set out the terms and conditions which shall govern the *inter se* rights and obligations of the shareholders of the SPV.

3. Incorporation of the SPV

3.1. The Government of Uttar Pradesh (GoUP) will incorporate the SPV as a Private Limited Company under the Companies Act, 2013, for carrying on the business set out herein. The authorized share capital of the SPV will be Rs. 10,00,00,000 (Rupees Ten Crores only), divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- each.

3.2. The paid up share capital of the SPV will be Rs. 10,00,00,000 (Rupees Ten Crores only), divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- each.

3.3. The initial subscribers to the Memorandum of Association of the SPV will be Governor of Uttar Pradesh state, representing the Government of Uttar Pradesh (GoUP) and the President of India representing Ministry of Textiles (MoT).

3.4. The SPV will be incorporated in State of Uttar Pradesh, within the jurisdiction of Registrar of Companies, Kanpur under the name "Saint kabir PM Mitra Textile and Apparel Park Limited.

3.5. The Parties agree to act and exercise their respective voting rights as Shareholders in the SPV and through their respective representative Directors at meetings of the Board, to ensure the proper implementation of the terms and conditions set out in this Agreement.

3.6. The Parties agree that their mutual rights and obligations in this joint venture including operation, control, and management of the SPV will be interpreted, acted upon, and governed in accordance with the terms and conditions of this Agreement.

3.7. The Government of Uttar Pradesh (GoUP) and Ministry of Textiles (MoT) hereby agree to subscribe shares as per this agreement and agree to pay the subscription money for shares so subscribed. SPV shall allot and deliver shares to the Government of Uttar Pradesh (GoUP) and Ministry of Textiles (MoT) on receipt of respective Subscription Consideration.

3.8. Upon issuance of the shares to the Government of Uttar Pradesh (GoUP) and Ministry of Textiles (MoT), the shareholding pattern of the Company will be as follows:

Name of the Shareholder	No of Equity Shares of Face value Rs. 10/- each	Total amount Payable towards cost (subscription)of Equity shares Face value Rs. 10/- each	Post Subscription Shareholding (%)
Ministry of Textiles Government of India (MoT)	49,00,000	4,90,00,000	49%
Ministry of Handloom and textile, Government of Uttar Pradesh (GoUP)	51,00,000	5,10,00,000	51%

3.9. Parties Shares to Rank Pari Passu

The Equity Shares issued, subscribed and allotted to the Parties in accordance with this Agreement as above, will rank *pari-passu* to each other with reference to all rights and benefits including but not limited to voting rights, dividends, stock splits, bonus issuance and rights issuance and other rights and obligations as governed by the Companies Act,2013.

4. SHAREHOLDING RIGHTS

4.1. No Pledging of Shares

The Parties shall not pledge, mortgage, hypothecate, charge or otherwise encumber or grant any security interests of any kind whatsoever on any of the Shares nor otherwise use such Shares as collateral security for any purpose whatsoever which could result in an involuntary Transfer of such Shares in favour of any Person, including but not limited to, any lenders of the Company.

4.2. Further Issue of shares

4.2.1. The share capital may be further increased, in future from time to time, as considered appropriate and necessary by the concerned SPV and subject to the approval of the Government of Uttar Pradesh (GoUP) and the Ministry of Textiles (MoT) for their respective shares.

4.2.2. It is clearly understood that the shareholding ratio between the Government of Uttar Pradesh (GoUP) and Ministry of Textiles (MoT) will always continue to be 51: 49 respectively.

5. SHAREHOLDER'S RIGHT TO SELL AND TRANSFER SHARES

5.1. Sale or Transfer of shares

Subject to the provisions of this Agreement, the parties to this agreement, being shareholders shall not transfer, sell, or create any charge or lien or any other right of any third party on the shares owned by the respective shareholder for a period of 10 years from the date of the start of functioning of the first unit in the PM MITRA Park.

5.2. Subject to the provisions of this Agreement,

5.2.1. In case MoT desires to dilute its shareholding in the Company, then GoUP shall have the right of first refusal to acquire the Shares proposed to be sold by MoT and/or to require MoT to sell or otherwise Transfer such Shares to a nominee of GoUP as the Transferee.

5.2.2. In case GoUP desires to dilute its shareholding in the Company, then MoT shall have the right of first refusal to acquire the Shares proposed to be sold by GoUP and/or to require GoUP, to sell or otherwise Transfer such Shares to a nominee of MoT as the Transferee.

5.3. The price at which the Shares shall be sold, transferred, or acquired by any of the Parties shall be at a rate as may be mutually decided by the parties.

5.4. Subject to the provisions of this Agreement, no Transfer of any Shares shall be made to any Third Party unless such Third Party shall have agreed in writing to be bound by the provisions of this Agreement by executing the Deed of Adherence enclosed as Annexure III, and there upon each such transferee or allottee shall be treated as a Shareholder for the purposes of this Agreement.

6. BOARD OF DIRECTORS

6.1. Constitution, Appointment and Nomination

Subject to the terms of this Agreement and the Memorandum and Articles of Association, the Board will be responsible for the overall direction and management of the Company, its business, operations and affairs and the scope of each of them.

6.2. The parties hereto agree that the Board of Directors will be constituted as follows:

6.2.1. **3 Directors**: to be nominated by the Government of Uttar Pradesh (GoUP)

6.2.2. 3 Directors: to be nominated by the Ministry of Textiles (MoT).

6.2.3. 2 (Two) Independent Directors to be selected, one each by MoT and GoUP and appointed as per the following terms

a. Independent Directors must be Professionals/Persons of eminence having more than 15 years of experience in / in relevant domains viz. Textiles, Management, Finance, Marketing, Technology, Human Resources, Law, etc.
b. The age band should be between 45-65 years. This could, however, be relaxed for exceptional and eminent professionals, for reasons to be recorded, but shall in no case exceed 70 years.
c. Independent Directors should be appointed for not more than one-term with a maximum tenure of 3 years.

6.2.4. The First Directors of the Company shall be

1. Secretary, Ministry of Textiles, Government of India
2. Additional Chief Secretary, Department of Handloom and Textiles, Government of Uttar Pradesh
3. Additional Secretary Textiles, Ministry of Textiles, Government of India
4. Commissioner and Director Handloom and Textiles, Government of Uttar Pradesh.

6.2.5. The Directors will not be required to hold any qualification shares in the Company.

6.3. Appointment/Removal of Directors

The Shareholders who have the right to appoint the Directors to the Board shall also have the right to remove and replace such Directors. The MoT and GoUP may withdraw the nomination of any of their nominee directors at any time and may nominate fresh directors in their place without assigning any reason.

6.4. Term of the Directors

The term of Directors shall be co-terminus with the duration of their appointment to their respective Office. The Shareholders shall exercise their voting rights and to cause their Directors on the Board to exercise their voting rights to carry out and effect the intent of the provisions of this Agreement.

6.5. Chairperson

The Secretary, Ministry of Textiles will be nominated as the Chairperson of the Board. In case the Chairperson is unavailable for a meeting, any one of the Directors nominated by the Ministry of Textiles (MoT) and present at that meeting may be elected by the Board as the Chairperson for that particular meeting.

6.6. Chief Executive Officer

The Government of Uttar Pradesh (GoUP) will appoint the Administrative Secretary of the Department looking after Textiles as CEO of the SPV. The term of Chief Executive Officer shall be co terminus with that of his term as Administrative Secretary of the Department looking after Textiles GoUP.

6.7. Meetings of the Board

6.7.1. The Board shall meet at least once in every quarter, at such times and circumstances as may be required and in accordance with the provisions of the Act for the purpose of taking decisions on all policy and other matters and for determination of issues regarding the business of the Company.

6.7.2. The Directors may, in accordance with Applicable Law, participate in the board meetings through video-conferencing or any other audio-visual means and as per the provisions of the Companies Act 2013.

6.8. Notices of Board Meetings

6.8.1. Subject to the provisions of the Act, the Company shall furnish to each Director not less than 7 days' notice (unless a written consent is obtained for a shorter notice), of the calling of any meetings of the Board or of any meetings of any Committee constituted by the Board, which notice shall indicate the agenda and shall promptly there after furnish to such Director copies of all proposals, resolutions, communications and reports prepared by the Company in connection with such meetings.

6.8.2. An emergency meeting of the Board may be called by giving the Directors not less than 3 days' notice in writing, unless such notice is waived by all the Directors for the time being.

6.9. Quorum of Board Meetings

The quorum for the meetings of the Board or any adjournment thereof shall require the presence of one -third (1/3) of the Directors in office or at least 2 Directors, whichever is higher, for the time being. No such quorum shall be deemed to be complete unless at least one MoT Director and GoUP Director are present at such meeting. In case the quorum is not present, the meeting shall be adjourned to the same day in the following week or if such day is a holiday the next Business Day there after at the same place. At any meeting of the Board, each Director shall have one vote.

6.10. General Body Meeting: A General Body Meeting may be held, in terms of the provisions of the Companies Act, 2013, at any place in India if consent is given in writing or by electronic mode in advance, provided however, that presence of at least one nominee of each party will be necessary to complete the quorum of the General Body meeting of the Company.

6.11. Resolutions at Board Level and General Meeting

6.11.1. Subject to the provisions of clause 6.14 of this Agreement, all resolutions of the Board of Directors shall be adopted by simple majority.

6.11.2. In case of an equality of votes, the Chairperson of the Board, shall have a second or casting vote.

6.12. Other officers: The Board of Directors may appoint a Managing Director or a suitable officer as a full time employee of the SPV to professionally run and manage the PM MITRA textile park, in terms of business plan as may be approved by the Board. The officer so appointed shall be responsible for professional Corporate Governance of SPV and will also be authorised and take up all other usual responsibilities in terms of the Companies Act,2013.

6.13. Chief Financial Officer: The Board of Directors of SPV may appoint a qualified professional Chartered Accountant or Cost Accountant or Management Graduate, as Chief Financial Officer to be responsible for design, implementation and running of financial policies and internal control over financial reporting and other usual responsibilities in terms of the Companies Act,2013.

6.14. Affirmative Vote Matters

Notwithstanding any other provision of this Agreement or any power conferred upon the Board by this Agreement, the Act or the Articles, the Company shall not, directly or indirectly, take any action in relation to any of the following matters without the affirmative vote at a duly convened meeting of the Board by, or written consent by, (a) at least one MoT Director and (b) at least one GoUP Director then in office;

a. Variation of shareholders' rights
b. change in shareholding proportion.
c. Increase in paid-up capital, so as to dilute the shareholding of minority shareholders.
d. Issue of additional shares or other securities
e. Change in Constitution of the Board
f. Merger or amalgamation of the SPV in any other Company or entity and similarly for Merger or amalgamation of any other entity into the SPV.
g. Dissolution, liquidation, or winding up of the Company.
h. Sale of all assets or substantial parts of the assets of the Company
i. Reduction of capital, buyback, swap of shares
j. Major changes in the business of the SPV company
k. Handling of Joint venture system
l. Change in scope of business of SPV and joint venture
m. Insolvency related actions
n. Buy-back of shares or other securities.

The Parties agree that the principles set out in this clause are fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate or prejudice the spirit and intent of this clause. If any other provision of this Agreement conflicts with the provisions of this clause, the provisions of this clause shall prevail and be given effect.

6.15. Reserved Board Matters

The Board of Directors of the Company shall exercise the following powers on behalf of the Company by means of resolutions passed at the meeting of the Board, in additions to matters so required in terms of Section 179 and the matters requiring approval of shareholders in terms of Section 180 of the Companies Act 2013 or in terms of any other law or regulations. Such matters requiring mandatory approval of the Board shall also include the following:

a. Creating or permission of any mortgage, charge, lien upon the whole or any part of properties or assets of the company, except in favour of the companies' bankers for working capital advances, beyond 25% of total assets of the SPV company;
b. Raising any additional capital;
c. Conclusion, amendment, termination of contracts where value per contract per annum exceeds INR 100 crores
d. Approval of annual business plan, capital budget, revenue budget or any changes in business plan
e. Delegation of Powers of the Board
f. Constitution of Board Committees;
g. All policy decisions including RFP, RFQ and concession agreement for selection of Master Developer/Other Developer(s);
h. Lease or sub lease of land of size greater than 50 acres or any building or any other immoveable properties of the SPV
i. Appointment of Managing Director, CEO, CFO and Key Managerial staff;
j. Acceptance of loan or credit facility beyond a sum of INR 50 crores per transaction
k. Conclusion, amendments, termination of contracts with related parties in excess of INR 50 crores. All contracts are to be made at arms' length price only as required by the Companies Act,2013;
l. Lending or advancing money other than to trade credit, trade debtors and suppliers advances in the ordinary course of business in excess of INR100 crore per transaction

6.16. Committees of the Board including Audit Committee:

The Board shall constitute an Audit Committee and other Committees as required in terms of law and for delegating duties and powers of the Board as may be considered appropriate for effective and efficient Corporate Governance.

7. AMENDMENT TO ARTICLES OF ASSOCIATION

The Company and the Parties do hereby irrevocably undertake that as soon as possible and in any event not later than a period of 3 (Three) months from the Effective Date they shall take all necessary steps to amend the Memorandum and Articles of Association of the Company to reflect the terms of this Agreement and other consequential amendments and to amend any provisions inconsistent with this Agreement.

8. TERM AND TERMINATION

8.1. This Agreement shall become effective on the date hereof and shall continue to remain in force until terminated in accordance with the provisions hereof.

8.2. This Agreement may be terminated.

a. by mutual agreement of Parties in writing.

b. Upon occurrence of any other event which, under law, has the effect of terminating this Agreement.

9. ENTIRE AGREEMENT

This Agreement and schedules thereto, constitute the entire agreement of the parties hereto with respect to the subject matter hereof and thereof, and supersede all prior agreements, MOUs and understandings of the parties, oral and written, with respect to the subject matter hereof.

10. INTENT AND EFFECT

Each of the Parties hereto, undertakes to fully and promptly observe and comply with the provisions of this Agreement and the Company's Articles of Association to the intent and effect that each and every provision shall be enforceable by the Parties hereto inter so and in whatever capacity. If, during the continuance of this Agreement, there shall be any conflict between the terms of this Agreement and the provisions of the Articles of Association of the Company, the Parties shall cause the Company to, and the Company shall subject to applicable laws, amend the Articles of Association of the Company, to incorporate the relevant provisions of this Agreement and to give effect to the matters contemplated by this Agreement.

11. EXERCISE OF VOTING RIGHTS

Each of the parties hereto, hereby agrees to exercise his voting rights in favour of each other to procure the fulfilment of the terms of this Agreement.

12. NON-WAIVER

No omission or delay on the part of any Party in requiring a due and punctual fulfilment by any other Party of its obligations hereunder shall constitute, or be deemed to constitute, a waiver of any of such Party's rights to require such due and punctual fulfilment and in any event shall not constitute or be construed as a continuing waiver and/or as a waiver of other or subsequent breaches of the same or other (similar or otherwise) obligations of such other Party hereunder or as a waiver of any remedy.

13. BINDING EFFECT

Subject to the terms and conditions hereof, this Agreement is binding upon and will ensure to the benefit of the Parties and their respective successors and permitted assigns.

14. NO ASSIGNMENT

Neither this Agreement (in part or in whole) nor any right or obligation hereunder or part hereof shall be assigned by any Party hereto without the prior written consent of the other Party hereto (any attempt to do so will be void), except as otherwise specifically provided herein.

15. INVALID PROVISONS

If any provision of this Agreement is held to be illegal, invalid, or unenforceable under any present or future Law, and if the rights or obligations under this Agreement of the Company or any or all of the Shareholders will not be materially and adversely affected thereby

(a) such provision will be fully severable;

(b) this Agreement will be construed and enforced as if such illegal, invalid, or unenforceable provision has never comprised a part hereof,

(c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance here from.

16. Force Majeure

16.1. Definition

16.1.1. For the purposes of this Agreement, "Force Majeure" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent), confiscation or any other action by Government agencies.

16.1.2. Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such Party's Sub-Consultants or organizations or body corporates or institutions or government institution/agencies employees, nor (ii) any event which a diligent Party could reasonably have been expected both to take into account at the time of the conclusion of this agreement, and avoid or overcome in the carrying out of its obligations hereunder.

16.2. **No Breach of Agreement**: The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, this Agreement in so far as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this agreement.

16.3. Measures to be Taken:

16.3.1. A Party affected by an event of Force Majeure shall continue to perform its obligations under the agreement as far as is reasonably practical, and shall take all reasonable measures to minimize the consequences of any event of Force Majeure.

16.3.2. A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than fourteen (14) days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible.

16.3.3. Any period within which a Party shall, pursuant to this agreement, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

16.3.4. During the period of their inability to perform the Services as a result of an event of Force Majeure, the parties uses its best efforts to remove such cause on non-performance and when removed the party shall continue performance with utmost dispatch

16.3.5. In the case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clause 19.

17. CONFIDENTIALITY

Each party will keep confidential and will take all necessary steps and precautions to cause its officers, directors, agents and employees to keep confidential any and all other information, whether disclosed orally or in writing, which is furnished by one party or which comes to the attention of or is acquired by the other party, and which is declared confidential, or should reasonably be construed to be confidential, which obligation includes the obligation not to disclose any confidential information to any person and not to use any confidential information, other than to the extent that it is required to discharge an obligation or exploit a right under this Agreement. The parties' obligations set forth in this section shall survive any expiration or termination of this Agreement.

The obligations of confidentiality imposed under this Agreement shall not apply to data and information which: (a) is in the public domain or enters the public domain

without breach of any obligations of confidence (including this clause); (b) is furnished to a party by a third person under circumstances which do not involve a breach of the third person's obligations to any party owning or in lawful possession of the Confidential Information; (c) was in a party's possession prior to the disclosure by the non-disclosing party in accordance herewith or pursuant to other Agreements between the parties; or (d) a party establishes was developed independently of Confidential Information furnished to it.

The obligation not to disclose confidential information to any person does not apply in so far as that information is required to be disclosed by law, regulation or judicial process. Prior written notice of such required disclosure must be furnished to the disclosing party as soon as practicable in order to afford the disclosing party an opportunity to seek a protective order and that if such order cannot be obtained disclosure may be made without liability;

18. AMENDMENT

No variation of this Agreement (or of any of the documents referred to in this Agreement) shall be valid unless it is made by an instrument in writing and signed by duly authorised representatives of each of the Parties hereto. The expression "variation" shall include any variation, amendment, supplement, deletion or replacement however effected.

19. DISPUTE RESOLUTION

In the event of any dispute or difference arising between the Parties in connection with the Agreement or in connection with interpretation and application of the provisions of the Agreement, such dispute or difference shall be taken up by either party for its resolution through Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) as mentioned in DPE OM No.05/0003/2019-fts-10937 dated 14th December 2022 and the decision of AMRCD on the said dispute will be binding on both the parties.

20. NOTICES:

Any notice, request, consent, waiver or other communication required or permitted hereunder shall be effective only if it is in writing and shall be deemed received by the Party to which it is sent (i) upon delivery when delivered by hand (ii) three days after being sent, if sent with all sending expenses prepaid, by an express courier or registered or speed post with a reliable system for tracking delivery or (iii) when transmitted, if sent by confirmed facsimile, addressed as follows:

In case of a notice to Government of India, Ministry of Textiles, at:
Additional Secretary, Ministry of Textiles,Udyog Bhawan, New Delhi-110011.

In case of a notice to Government of Uttar Pradesh
Additional Chief Secretary,
Department of Handloom and Textiles, Government of Uttar Pradesh,
110, 1st Floor, 'C' Block, Lok Bhawan, U.P. Secretariat, Lucknow – 226 001.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF the parties hereto have signed, sealed and delivered this Agreement on the day, month and year first above written in presence of:

For and on behalf of the President of India,

_____

Name:

Designation: (seal)

For and on behalf of the Governor of Uttar Pradesh

_____

Name:

Designation: (seal)

witnesses :

(1) .....

(2) .....

(Name and Address)

Schedule A

DEED OF ADHERENCE

This DEED OF ADHERENCE ("Deed") is executed this [•] day of [•], by [•], having its registered office/ principal place of business at [•] **(the "Intended Transferee").**

WHEREAS:

A. By a Joint Venture agreement dated [] ("Agreement") amongst MoT and the GoUP of ..... (collectively the "Existing Shareholders"), Government of India (GoI) Ministry of Textile and Government of Uttar Pradesh Ministry of Handloom and Textile agreed to the regulation of their rights and liabilities as Shareholders.
B. Article [•] of the SPV requires, *inter alia*, that, concurrently with the Transfer of Shares by any Shareholder to any third party purchaser, such third party purchaser will, as a condition of such Transfer of Shares to it execute this Deed and be bound by the "AGREEMENT".
C. The third party purchaser is hereinafter referred to as the Intended Transferee.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. Definitions and Interpretation

Capitalized terms used but not defined in this Deed will, unless the context otherwise requires, have the respective meanings ascribed thereto in the "AGREEMENT"

2. Undertakings

2.1. The Intended Transferee hereby acknowledges that it has received a copy of, and has read and understands, the "AGREEMENT" and the charter documents and covenants, and agrees and confirms that it will be bound by all provisions of the "AGREEMENT" and the Charter Documents as if it was an original party thereto, including with respect to the rights and obligations of the Existing Shareholders contained therein, and the "AGREEMENT" will have full force and effect on it, and will be read and construed to be binding on it.

2.2. The Intended Transferee agrees and acknowledges that the rights and obligations which accrue to the Intended Transferee pursuant to any acquisition of Shares, will be equivalent to and will not be in excess of the rights which the transferor would have had in relation to such Shares.

3. **Representations and Warranties**

The Intended Transferee hereby represents and warrants to the other parties hereto that:

a) It is duly incorporated and validly existing as a corporation under the laws of its place of incorporation and has full power, capacity and authority to execute, deliver and perform this Deed and has taken all necessary actions (corporate, statutory or otherwise) to execute and authorise the execution, delivery and performance of this Deed.
b) This Deed upon execution and delivery by it will constitute a legal and binding obligation on it enforceable against it in accordance with its terms
c) The discharge by it of the obligations and liabilities under the Agreement and the performance by it of the acts and transactions contemplated hereby do not and will not (whether with or without the giving of notice or lapse of time or both), violate, conflict with, require any consent under or result in a breach of or default under: (1) any Applicable Law to which it is subject; or (1) any term, condition, covenant, undertaking, agreement or other instrument to which it is a party or by which it is bound;
d) To the best of its information and knowledge, there are no legal, quasi-legal, administrative, arbitration, mediation, conciliation or other proceedings, claims, actions, governmental investigations, orders, judgments or decrees of any nature made, existing, threatened, anticipated or pending against it which may prejudicially affect its holding of the Shares of the SPV or the due performance or enforceability of the Agreement or this Deed or any obligation, act, omission or transaction contemplated thereunder or hereunder.

4. **Enforceability**

Each of the parties to the "AGREEMENT" and the SPV will be entitled to enforce the "AGREEMENT" against the Intended Transferee as if the Intended Transferee had been an original party to the "AGREEMENT" since the date thereof.

5. **Governing Law**

This Deed will be governed by and construed in accordance with the laws of India. The terms and conditions of the "AGREEMENT" in relation to the provisions regarding arbitration and other terms and conditions will be deemed to have been incorporated in this Deed.

Signed by

For _____

Name

Designation